

HOUSE FINANCE COMMITTEE
March 22, 2010
9:07 a.m.

[9:07:43 AM](#)

CALL TO ORDER

Co-Chair Stoltze called the House Finance Committee meeting to order at 9:07 a.m.

MEMBERS PRESENT

Representative Mike Hawker, Co-Chair
Representative Bill Stoltze, Co-Chair
Representative Bill Thomas Jr., Vice-Chair
Representative Allan Austerman
Representative Mike Doogan
Representative Anna Fairclough
Representative Neal Foster
Representative Les Gara
Representative Reggie Joule
Representative Mike Kelly
Representative Woodie Salmon

MEMBERS ABSENT

None.

ALSO PRESENT

Larry LeDoux Commissioner, Department of Education and Early Development; Diane Barrans, Executive Director, Postsecondary Education Commission, Department of Education; Jerry Burnett, Deputy Commissioner, Division of Treasury, Department of Revenue.

PRESENT VIA TELECONFERENCE

None.

SUMMARY

HB 297 POSTSECONDARY SCHOLARSHIPS

CSHB 297 (EDC) was HEARD and HELD in Committee for further consideration.

[9:07:52 AM](#)

#hb297

HOUSE BILL NO. 297

"An Act establishing the governor's performance scholarship program and relating to the program; establishing the governor's performance scholarship fund and relating to the fund; relating to student records; making conforming amendments; and providing for an effective date."

[9:08:47 AM](#)

LARRY LEDOUX COMMISSIONER, DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT presented an overview of the bill. He asserted that the Governor's Performance Scholarship (GPS) sent out a statement of expectation for academic excellence among students statewide. He believed that the scholarship would generate a reformation of school curriculum throughout the state. He relayed that the program would save the state money because kids would be more successful in school, eliminating the requirement for remediation before beginning preparation for a higher education. He emphasized that the scholarship would keep students in Alaska for school/training, which could lead to more of them remaining in state for the long term. The scholarship requirements would encourage students to take the courses necessary to qualify, and would then financially assist students who wanted to pursue a higher education. He believed that once the requirements for the scholarship were revealed; parents, communities, and students would be inspired to ask the questions, and do the planning necessary for the students to be successful. He believed that the scholarship would encourage young people to attend college in-state. The purpose of the scholarship was to improve student performance at the high school level by insisting on a rigorous curriculum that encouraged academic excellence. He furthered that graduation rates would increase under the bill, and that students would be better prepared for college level work. He contended that students who engaged in a rigorous curriculum had increased access to college and career goals. The scholarship program would be open to public, private, and homeschooled students.

There were two major types of scholarships under the program; academic and career/technical. The academic scholarship consisted of three levels; level one was a grade point average (GPA) of 3.5 or higher, level two was a GPA of 3.0 - 3.5, and the third level was 2.5 - 3.0. The career scholarship had a qualifying level of a 2.5 GPA. The students the achieved the highest level of academic scholarship would be eligible for tuition, based on the 2010 - 2011 school year, for 100 percent of 15 credits. The next level was rewarded 75 percent of the tuition coverage, and the third would receive 50 percent assistance. The career/technical scholarship would provide \$3,000 for two years of study. The grade criteria for academic scholarships would require schools to measure performance through an algorithm developed by the school, and standardized test scores. Students could qualify for the career/technical scholarship with a standardized achievement test. He said that the standardized tests validated the students GPA, and the rigor of the curriculum.

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Commission LeDoux reiterated that studies had shown that students who engaged in a rigorous curriculum of study for high school were more successful in college. The required curriculum in the GPS scholarship was four years of English, math, and science, and three years of social studies. Qualifying courses for the career/technical scholarship varied slightly from the academic. College courses would count toward the criteria for meeting the rigorous curriculum requirement. Alternative pathways were available for students who faced obstacles trying to meet the scholarship criteria. The alternative pathway could be triggered by circumstances beyond the control of the student, like if the required classes were not available in their district. A need based component had been added to the GPS program that would ensure that the student qualifying for a need based scholarship as determined by the Free Application for Federal Student Aid (FAFSA), could receive up to 50 percent of the imminent need. A minimum of \$2,000 would need to be contributed by the student.

Commissioner LeDoux stated that if a student qualified for an academic scholarship, eligibility could be retained for up to six years, to complete eight semesters. This caveat would allow students to explore colleges outside of Alaska,

and still be eligible under the program when they return to the state.

Commissioner LeDoux relayed that the GPS allowed for student to attend college classes part-time. The standards and qualifying criteria were managed by the Department of Education (DOE). The Alaska Commission on Post-Secondary Education was responsible for the daily operations, disbursement of money, and monitoring eligibility. The Department of Labor (DOL) would maintain a list of certified technical schools in the state. The high school that the student graduated from would certify eligibility. Money would be appropriated into the GPS account from the expendable earnings of the GPS fund. The commission could use funds from the account to pay scholarships.

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Representative Fairclough wondered if, in addition to the scholarship program, the credit requirements for high school graduation should be increased in order better prepare students for college level classes. Commissioner LeDoux replied that in the state of Alaska, local districts had the responsibility of setting high school graduation standards. Many school districts set criteria beyond what the state required. He warned that increasing graduation requirements would cause a decrease in the graduation rate. The mission of the GPS was to invite students to work harder, and to encourage communities to offer a more intense curriculum.

Representative Fairclough asked how the University Scholar's Program was funded. Commissioner LeDoux replied that the program was funded from its foundation, and offered scholarships to the top 10 percent of every school in the state; the amount of \$1,375 per semester was given to the student, for a total of \$11,000 over the four year period.

Representative Fairclough queried the number of students who used the university's scholarship program. Commissioner LeDoux believed that approximately 1000 students qualified, from that, over 400 were elected to participate in the program.

Representative Fairclough questioned if the department had examined the consequences of instituting a competing

scholarship program. Commissioner LeDoux explained that there were differences between the two programs. The students in the top 10 percent were measured by their GPA, which does not indicate whether or not the student has been subject to a rigorous curriculum. The GPS required a validating standardized test that confirmed the curriculum. The participation in a rigorous curriculum, as defined by the GPS, had been well established as an indicator of success in college. In spite of the many different ways that schools graded students, the GPA was the highest predictor of college graduation. He assumed that the statistic existed because it takes work and commitment to maintain a high GPA in high school.

[9:22:13 AM](#)

Representative Fairclough asked if the GPS could be applied to the Washington, Alaska, Montana, Idaho Medical Education Program (WAMI). Commissioner LeDoux replied that the student would have eight semesters of eligibility that could be used within the six year window, to pay for college courses. If the student had a baccalaureate degree and was engaged in a medical program with eligibility years left, the program would provide to help pay expenses. The program was designed to custom fit Alaskan students, who tended to be non-traditional in their college going culture.

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Representative Salmon cited Page 11 of the legislation and requested further explanation of the unmet need component of the program.

DIANE BARRANS, EXECUTIVE DIRECTOR, POSTSECONDARY EDUCATION COMMISSION, DEPARTMENT OF EDUCATION, explained that the scholarship from the state was intended to be a "last dollar award", which meant that the students cost of attendance was established, and then reduced by the number amount of any non-loan aid they may qualify for. The scholarship relative to their ability was then applied. The unmet need supplement was intended to split the remaining cost of attendance, above the \$2000 minimal buy in required of the student. She offered to provide a schedule that would illustrate the actual numbers.

Representative Salmon referred to Page 9 of the bill. He noted that the classes necessary to fulfill the

requirements for eligibility were difficult for students in rural areas to access. He wondered how students in rural areas were expected to take the necessary classes, in four years time, when the classes were not regularly available.

Commissioner LeDoux acknowledged that there were challenges to providing the program to rural areas. He said that many schools had participated in distance teaching programs. He asserted that distance programming had evolved over the years, and that web-based programming, where students could interact online with a highly qualified teacher, was available. The department had found that some schools offered the curriculum required for all four years through distance programming. He warned that if communities were going to urge children to dream big, without delivering the programming necessary to assure the child's success, then the students would be set up for failure. The GPS was a demand that schools reform, and that schools that were not offering four years of math or science begin to do so. He opined that statistics showed that young people were leaving high school for university and not succeeding. He stated that discussions with school superintendents across the state indicated that most schools could deliver the curriculum required by the program.

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Representative Austerman requested further discussion of the implementation of the required curriculum in rural areas.

Commissioner LeDoux explained that the GPS would be phased in over a four 4 year period. The department understood that schools would need time to redirect their resources in order to meet the curriculum needs. The department would work with struggling districts to ensure their success. He said that there was a working group that had begun meeting in the summer of 2009, to help facilitate virtual education in the state. The department was prepared to issue a request for proposals (RFP) to help design the virtual education program that would be necessary to deliver quality instruction across the state. The department would collect data to present to the legislature on a yearly basis in order to monitor the program. The department was prepared to stand ready to assist all districts to take advantage of the program. He asserted that many small schools around the state were delivering a challenging

curriculum, and that the GPS program would inspire all the schools in the state to adopt similar curriculum.

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Representative Austerman expressed concern that the program would not be supported by all districts in the long term. He asked where the information could be found concerning which schools were already working to provide a challenging curriculum. Commissioner LeDoux shared that the department had access to a database that contained a significant amount of analysis information. He assured the committee that documentation of the information would be provided upon request.

[9:34:25 AM](#)

Representative Doogan understood that the program served two purposes; in one way, it was a vehicle to get money for college to students, and secondly, it was an attempt to increase the curriculum in high schools throughout the state. Commissioner LeDoux replied the department was interested in achieving both.

Representative Doogan pointed out that the required curriculum was just that: required. He argued that one could not be done without the other. There was the possibility that in order for a school to provide the classes required by the scholarship the current curriculum would have to be changed.

Representative Doogan referred to the fiscal note, which reflected what the program would cost the state in terms of the scholarships. He wondered what it would cost to institute the required curriculum in all the schools throughout state.

Commissioner LeDoux did not know what the cost to the state would be. He relayed that in order for every school to achieve the goals set out by the program, a community would need to be established among educators and students that would work together towards a common vision of excellence. He believed that the GPS was important because it invited students to work harder, earlier in their academic career. He thought that urging from parents and educators for students to consider and plan their academic future, as early as the 6th grade, was key to making the program work.

He explained that there were many things that could be done to achieve the department's dream for Alaska's students, and that they did not all involve money. He maintained that the educational goals could be achieved by working with early learning programs, middle school interventions, developing robust career and technical programs, and removing any obstacles between secondary and post-secondary education. He stated that the interface between secondary and post-secondary education was dissolving. The GPS was important because it invited parents and student to be part of the dream of higher education. Simply raising requirements would only tell students what they "have" to, rather than what they are capable of doing. Offering a scholarship for work done well presented a pathway to college, especially for low income students.

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Representative Doogan expressed concern that was no way to estimate how much it would cost to prepare schools for implementing the curriculum required by the program. He voiced that he supported the intent of the legislation, but needed to know how much it would cost. Commissioner LeDoux responded that the question was difficult to answer. He believed that many of the necessary reforms could be completed with funds that the department already had. A realignment of resources would be needed in order to develop a quality statewide virtual school in the future, which could add to the cost.

Representative Doogan requested further explanation of the alternative pathway written into the bill. Commissioner LeDoux explained the alternative pathway provided a way for students to overcome barriers in their path to a scholarship. If the required classes were not offered in the student's school, or if there were circumstances beyond the student's control that hindered their ability to take the required curriculum, the student could apply to the Commissioner of Education for an alternative pathway to meet the necessary criteria.

Representative Doogan asked for an example of an alternative pathway. Commissioner LeDoux responded that if there was a family emergency, or if a class was not available to the student during the qualification period, the student could apply for extra time in which to complete the requirements.

9:42:20 AM

Vice-Chair Thomas asked for a definition of an Alaskan resident, under the legislation.

Ms. Barrans replied that Page 6, lines 7-8 referred to residency under AS 01.10.055, which defines a resident as a person with the ability to vote as an Alaskan resident. The requirement can be met after 30 days in-state.

Vice-Chair Thomas expressed concern that out-of-state students would move to Alaska only to take advantage of the scholarship, thereby creating more competition for students who were born here, or had lived here well over 30 days. He suggested that residency could be established under the requirements of the Alaska Permanent Fund Dividend, which requested at least two years residency.

Co-Chair Stoltze deduced that DOL should contemplate the issue and provide recommendations to the committee. He queried how the department intended to establish residency requirements by regulation. Commissioner LeDoux responded that the actual statute allowed the residency requirement of 30 days. The State Board of Education could modify the requirement, and residency requirements for programs vary throughout the country. The legal advice received by the department had recommended leaving the requirements as currently written in the bill.

Vice-Chair Thomas asked how many schools districts currently offered the curriculum needed to qualify for the program. Commissioner LeDoux responded that the information was broken down by school, and could be provided to the committee.

Vice-Chair Thomas added that he was sure some schools would qualify, but others could take two or three years to meet curriculum demands. He asserted that the program should not go into effect until all schools in the state were able to provide the required curriculum. Commissioner LeDoux agreed.

Representative Thomas asked if a student could qualify for the university scholarship and the governor's scholarship simultaneously. Commissioner LeDoux said yes. Representative Thomas pointed out to the committee that the

university scholarship was funded by the university, and the governor's was funded through general funds.

Vice-Chair Thomas wondered if Mount Edgecumbe School could be used as the educational vehicle for students whose districts did not qualify.

Vice-Chair Thomas questioned why the scholarships could only be used at in-state schools. He noted that some University Alaska programs had limited enrollment, which forced students to seek the programs out-of-state. He wondered if any exceptions could be made for those students.

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Commissioner LeDoux responded that there were no allowances in the bill as currently written for students to use the scholarship outside of Alaska.

Vice-Chair Thomas argued that if an in-state university did not provide the training that the student wanted, they should be able to take the scholarship money and go outside of Alaska to attend the program they desire. He mentioned the \$3,000 cap for career/technical scholarships and noted that in his district, trade skills were of greater practical use than academic achievements.

[9:52:54 AM](#)

Co-Chair Stoltze stated that the department should examine loan forgiveness numbers versus the cost of the scholarships to the state.

Representative Fairclough asked if the state's exit examinations aligned with college entrance exams. Commissioner LeDoux replied no. He added that the Alaska High School Graduation Exit Exam standards were based minimum competency and did not align with college entrance exams.

Representative Fairclough inquired if the graduation exam was a baseline for a college entrance exam. Commissioner LeDoux did not believe so. He believed that the graduation exam measured minimum competency and was not intended to be a college readiness exam.

Representative Fairclough suggested that an alignment with the college exam could benefit students. Commissioner LeDoux thought that it would be great for the state to have college and career readiness exams at the junior level that would inform students and parents of potential performance at the college level. Many students in Alaska took the SAT and the ACT, but it was not required for graduation. The new national standards would require a different accountability system in regard to college readiness. The department was currently examining ways to raise school based assessments (SBA) to ensure students were college ready upon graduation.

Representative Fairclough opined that the graduation test was not a determinate for college readiness. She wondered if the students that passed the test believed that it was an indication of college preparedness. Commissioner LeDoux supposed that many students believed that the graduation exam represented something significant, but because it was a high stakes exam, and students graduated based on their score, it was traditionally a minimum competency exam. Otherwise, not enough students would graduate, which would lead to political fallout. He stated that several years ago, by legislative action, the criteria for passing the exam had been lowered. He believed that a non-high stakes, comprehensive exam at the junior level, would provide good feedback to parents, specifically because it was not high stakes, and it was not determinate on graduation. He asserted that such an exam was necessary for accountability concerning the money currently being spent on education.

Representative Fairclough stated that teachers were teaching to the criteria on the graduation test, which seemed counterproductive. She asked again if WAMI qualified.

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Ms. Barrans said that WAMI would qualify for the first year of the program, while the student was a resident on the University of Alaska Anchorage campus. She elaborated that if the student spent the majority of subsequent years training in a graduate medical program in Alaska; that would qualify as well.

Representative Fairclough asked if the expectation of a \$2000 contribution from the student was collected annually or by semester.

Ms. Barrans replied that it was on a per year basis. The amount that the student was expected to contribute was based on the FAFSA, would either be \$2,000, or the Expected Family Contribution (EFC) based on income. If the family was expected to contribute \$4,000 based on the FAFSA calculation, \$4,000 would be the minimum contribution. She relayed that more data on the issue could be made available to the committee.

Representative Fairclough asked if there was a differentiation between a career/technical path and a college path. She also queried the definition of extensions, and how they would be established in statute. She also queried the qualifications of a part-time student.

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Commissioner LeDoux responded that a part time student was a student earning between 6 and 11 credits at a qualified institution.

Representative Fairclough asked how a student who was part-time could qualify for the scholarship. Commissioner LeDoux clarified that he was referring to a college age, part-time students. Commissioner LeDoux said that the extension mentioned on Page 7, Line 14, would be granted to people who qualified for the scholarship who were in the military; so that they could apply and received extra time for the time they served in the military.

Representative Fairclough wondered about students who qualified that suffer a medical emergency. Commissioner LeDoux believed that an extension could be granted by LAW through regulations established by the state board of education.

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Co-Chair Stoltze commented on the issue of the graduation exam. He asserted that the exam measured the remedial proficiency of a student graduating from an Alaska Kindergarten through 12th grade institution. He said that the graduation test had been adopted with the purpose of

placing a minimum value on a high school diploma, not college readiness.

Representative Fairclough offered that the students that took the test were not aware that it was not a college level exam.

Co-Chair Stoltze countered that that was one of the many failings of the school district, not the Department of Education.

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Representative Joule said that one of the ways that a student could lose eligibility was to not maintain the required GPA. He wondered if there would be a grace period for the student's GPA during the transition into college. Commissioner LeDoux responded that there was no grace period. The student would have to pay for, and complete a semester on their own in order to regain eligibility and meet the criteria.

Representative Joule believed that a grace period was critical for students during the first semester, as that was not normally a time when students did their best work. He thought that the incentive to keep the scholarship into the second semester would compel the student to work harder to improve performance. He believed that a grace period would illustrate faith in the student's abilities.

Representative Joule furthered that he would appreciate more dialogue about non-traditional students. He asked what the department considered the definition of a non-traditional student, and based on that definition, whether those students were covered under the program. Commissioner LeDoux understood that a non-traditional college student was a student who does not go to college even though they qualified, and who chose to explore other life experiences prior to going to college. Many non-traditional students attend school for a time and then moved onto something else. He reiterated that the scholarship provided six years of assistance to complete the eight semesters, and that most scholarship programs required that the student enter college directly after high school. He shared that many parents in the state prefer that their child travel out-of-state for a year before beginning college, just to see what it is like. The program was designed so that there was a

degree of opportunity for non-traditional students, within the six year period, to explore what they want to do.

Representative Joule clarified that the program was for individuals who wanted to attend college within six years of graduating from high school. Individuals who postponed college to work or raise children, would not have access to the scholarship six years post graduation. Commissioner LeDoux replied in the affirmative.

Representative Joule thought that some of the most successful stories from the outlying areas of the state involved people who figured out much later in life what their academic goals were. He opined that that demographic would not be provided an opportunity under the legislation.

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Representative Kelly emphasized that the program would require substantial state funding. He wondered if the program was the department's highest funding priority. He probed the measurable success of the scholarship program in other states. Commissioner LeDoux replied that he department was operating according to the state education plan, and under the belief that success was the outcome of doing many things. The three top areas he was personally interested in were; making sure that kid's could read by 2nd grade, that a quality career/technical education program was established in the state, and that the arts be embraced to a greater extend in schools. He added that high schools in the state look like they did 50 years ago and needed to change. He believed that the scholarship program was particularly important because it affected the attitude for students and parents. The program was one component of a comprehensive plan to help young people who want to go to college move in that direction.

[10:15:37 AM](#)

Co-Chair Stoltze noted that Ryan Buchholdt, a student from UAA, had comprised a comprehensive list of similar programs around the country (copy on file).

Commissioner LeDoux relayed that the program in Alaska differed in that it provided for broad opportunity for student to participate. He hoped that by inviting C average students to apply for the scholarship, students with a D

average or lower would be inspired to work harder in order to qualify. Research had shown that taking a rigorous curriculum in high school ensured success in college. He thought that the program would be the catalyst to offering the required classes in schools throughout the state.

Vice-Chair Thomas wondered if scholarship benefits increased as the student's GPA rose at the college level. Commissioner LeDoux replied that the scholarship was based only on high school performance.

[10:18:45 AM](#)

Representative Austerman queried the cost, and amount of work, necessary to bring every school in the state up to the program's curriculum and technology standards. Commissioner LeDoux replied that that analysis had not been done. He said strongly that there was not a school in the state that could not offer the courses required by the program.

Representative Austerman assumed that the department would be assessing schools to determine if they were capable of providing the required curriculum. Commissioner LeDoux said that the department had done an analysis of statewide correspondence schools, all of which had indicated that they had the full capability to deliver the courses anywhere in Alaska.

Representative Austerman understood that schools that did not already offer the required curriculum would eventually be pressured by students and parents to institute the requisite courses. He expresses a lack of confidence that all schools in the state would relent to the pressure, and wondered if there was language in the bill to insist that schools offer the classes. Commissioner LeDoux said that there was nothing in bill required the schools to provide the course, but maintained that given the opportunity, most schools were up to the task of providing the program throughout the state.

Representative Austerman maintained disbelief that all schools would embrace the program. He requested that the department do the math regarding realigning the funding in each district in order to accommodate the program. He also called for more discussion on the 30 day residency

standard. Finally, he wondered how community colleges were viewed in the program.

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Commissioner LeDoux replied that students who achieved the scholarship could attend any regionally certified college in the state.

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Representative Salmon asked if there would be a review period for the program. Commissioner LeDoux relayed that there was an implementation of 4 years for the program in an attempt to give schools and students time to prepare. The department hoped to implement the program in time to serve the graduating class of 2011.

Representative Salmon cited Page 21, Line 26, of the bill, which defined the commissioner as the Commissioner of Revenue. However, several other pages referred to "the commission". He opined that there was no clear definition for "the commission". He did not understand how the two commissions were separated. Ms. Barrans explained that the terms were defined in statute. To understand, a person would have to look up where the section resides in law. For instance, the majority of the language fell under AS 14.43, which was a student financial aid program in which "commission" was already defined. In AS 14.42 the commission was identified as an entity that administers the financial aid programs. She said that the language was contextually correct.

Representative Salmon expressed frustration that the definitions were unclear. Ms. Barrans rebutted that the terms were defined within statute.

[10:27:18 AM](#)

JERRY BURNETT, DEPUTY COMMISSIONER, DIVISION OF TREASURY, DEPARTMENT OF REVENUE, explained that the definition of the Commissioner of Revenue found under AS 37.14.790, was specific to the management of the fund set up in the bill.

Representative Doogan supposed that a student could come into Alaska in time to establish residency (30 days), then take 4 years of college and leave the state upon graduation. He highlighted that there was no requirement

that the student undergo the curriculum of the Alaska school system, or remain in the state after graduation. Commissioner LeDoux said that that was correct.

Representative Doogan asked the value of the highest scholarship available. Commissioner LeDoux shared that it was approximately \$5000 for 15 credits.

Representative Doogan asked how much the needs based, C average student could expect to receive. Ms. Barrans replied that the state aid for a student with a C average, who received full PELL grant awards, would be \$6,700 per year. The bill as currently written had a required student/family contribution of \$2,000.

Representative Doogan understood that a high achieving graduate, whose parents were millionaires, could receive \$5,000. A student with a lower GPA, whose parents were at the low-income level, would get \$2,378. Ms. Barrans replied that that was incorrect. She reiterated that the lower income, C level student would get \$6,700, as a high needs student. In the bill there was a state supplemental portion for unmet needs that was paid for by the state, and would bring the total aid to \$6,700.

Representative Doogan maintained as confusion and requested further explanation.

Ms. Barrans directed attention to Page 11, Section 14.43.828:

Sec. 14.43.828. Eligibility for an unmet need scholarship supplement and maximum awards. (a) Subject to appropriation, the commission shall award an unmet need scholarship supplement to a student who meets the eligibility criteria for the award.

(b) A student is eligible to receive an unmet need scholarship supplement if the student

- (1) is eligible for a merit-based academic scholarship or a merit-based career and technical school scholarship; and
- (2) can demonstrate, in a year in which the student receives a scholarship, that the student has unmet financial need greater than \$2,000.

(c) The maximum amount for an unmet need scholarship supplement is 50 percent of the unmet financial need that exceeds \$2,000.

(d) The qualified postsecondary institution attended by the student shall determine unmet financial need by subtracting from the student's allowable standard costs of attendance at the institution all non loan sources of financial support, including an expected family contribution and all federal, state, and private scholarships or grants received by the student.

(e) In this section,

(1) "allowable standard costs of attendance" means

(A) for a student who receives a merit-based academic scholarship, the lesser of the

(i) standard costs of attendance at the University of Alaska, as determined by the commission; or

(ii) actual costs of attendance at the qualified postsecondary institution that the student attends or plans to attend, as determined by the commission;

(B) for a student who receives a merit-based career and technical school scholarship, the cost of attendance at the qualified postsecondary institution that the student attends or plans to attend, as determined by the commission based on room and board costs at the University of Alaska as determined by the commission;

(2) "expected family contribution" means the amount a student or the student's family is expected to pay toward the student's cost of attendance, as determined by use of the most recent federal Free Application for Federal Aid.

Ms. Barrans added that the largest per student payout under the legislation was for the middle income family. Those families fall out of the eligibility for PELL and other federal aid, and yet their ability to contribute family income was minimal.

[10:34:22 AM](#)

Representative Doogan insisted that the way in which the numbers were calculated for the unmet need scholarship was perplexing.

[10:35:06 AM](#)

Co-Chair Stoltze said that the home school program in the state had been highly successful. He asserted that home schooled students already possessed the academic motivation that the department was attempting to instill in all students via the legislation. He voice strong support for the home school program in the state and promised to be an advocate for it throughout the process.

[10:36:39 AM](#)

Representative Gara expressed concern that parts of the bill rewarded students born into privilege, and who were underachievers, while doing nothing for students who had no means, and were over achievers. He did not think that the lure of a scholarship was going to make academically lazy students work harder. Commissioner LeDoux said that a student who was an underachiever, whose parents were going to pay for college anyway, would probably not be affected by the invitation to receive a GPS.

Representative Gara argued that the program criteria left out many different types of students who could be successful if they had financial help.

Commissioner LeDoux believed that the program was an invite to students to work hard in preparation for their dream career. He contended that integral to the program were the meetings that must initially take place early on (6th grade) between parents, students, and schools. Because the program included a needs based component, parents would be assured that, regardless of their economic level, there was an accessible financial pathway to college for their child. He asserted that the program directly targeted the people Representative Gara had indicated.

Representative Gara thought that students whose parents were not involved in working to ensure the student took the right courses to qualify for the scholarships were not considered in the language of the bill. He believed that the bill as written presented a pretense that certain students did not exist. He argued that there were children whose parents were not involved in their education, who would work hard and only end up with a General Education Diploma (GED), that would go on to succeed in life. He thought that those students should be rewarded through a provision in the bill.

Commissioner LeDoux stated that one of the purposes of the program was to engage parents early so that they were aware of the opportunities that were available to their children. He acknowledged that students who achieved a GED did so for a variety of reasons, and that it was not always poor choices on the part of the student. Some states had recognized this and had created a pathway for those students to go to college. He disagreed that all students who acquired a GED did so because they did not receive the support that they needed to graduate high school. He believed the scholarship program would improve the flow of information necessary for the success of all students.

Co-Chair Stoltze wondered where class distinction had been discussed in the bill.

Commissioner LeDoux maintained that the GPS program was an invite to all students. He warned that if students did not have accountability for their actions, and take responsibility for their choices, they would not be successful in life. The GPS asked students to be accountable to make good choices, to consider the importance of choices, and to do so early on in their academic careers.

Representative Gara asked if the department could provide a proposal for what was done in other states to provide an alternative pathway for student who grew up with limited parental guidance, but who had college potential.

Commissioner LeDoux shared that there was a Hathaway Scholarship available to students that had earned a GED. Information on the scholarship could be found on Page 15 of the response to questions packet in the bill folder (copy on file). He related that the information had not been broken down into legal language that would fit into the bill as an amendment, but if the committee requested such language he would provide it.

[10:43:55 AM](#)

Representative Gara requested the language. Commissioner LeDoux said that he would provide language for consideration.

Representative Gara cited Page 8, Line 16, which defined a C plus average as nothing less than a 2.5 GPA. He argued

that a 2.5 GPA was a flat C, and not a C plus average. Commissioner LeDoux responded that a C plus was defined on the 4. scale as a GPA between a 2.5 and a 3.0.

[10:44:59 AM](#)

Co-Chair Stoltze concluded that the bill required further discussion.

CSHB 297 (EDC) was HEARD and HELD in Committee for further consideration.

#

ADJOURNMENT

The meeting was adjourned at 10:45 AM